Congress of the United States Washington, DC 20515

Lloyd Austin III Secretary U.S. Department of Defense 1000 Defense Pentagon Washington, DC 20301

October 18, 2021

Dear Secretary Austin,

As you know, the U.S. Supreme Court struck down the Centers for Disease Control and Prevention's (CDC) extension of an Eviction Moratorium on August 26, 2021. While we are pleased the court recognized that the CDC exceeded its legal authority, we are concerned that the various federal moratoria dating back to March 2020 have placed undue financial burdens and continue to have unintended consequences on members of the U.S. Armed Forces and their families.

According to research by the Federal Reserve Bank of Philadelphia¹, approximately 2 million U.S. households are behind on rent, totaling an estimated \$16.8 billion in national rent debt. While roughly \$2.3 billion in emergency rental assistance (ERA) was delivered to households through the U.S. Treasury's ERA program in August 2021, it is clear the urgency and effectiveness of the ERA program has been undermined by the eviction moratorium. Recently released figures show that Treasury's program has disbursed less than 17 percent of the \$46.6 billion ERA funds.²

Many believe that ERA's slow spending rate is a direct result of the Biden Administration's reliance on an eviction moratorium strategy to delay, rather than solve, the problem. This failed strategy continues to have unintended consequences on the rental market. Anecdotal evidence suggests that revenue lost through the eviction moratorium has forced some landlords under financial pressure to increase rent on other tenants who have remained current on their rent throughout the COVID-19 public health emergency.³ This regrettable but foreseeable outcome to recoup lost rent is effectively punishing renters who pay their bills on time while tens of billions of federal ERA dollars intended to help continue to go unspent.

¹ https://www.philadelphiafed.org/community-development/housing-and-neighborhoods/household-rental-debt-during-covid-19-update-for-august-2021

² https://home.treasury.gov/system/files/136/August-ERA-Data.xlsx

³ https://www.theolympian.com/news/local/article252817688.html

In particular, we are concerned that this burden is falling on military families due to the additional requirements military law places on servicemembers and their families to make timely payments on their debts. As you know, section 71 of Article 134 of the Manual for Courts-Martial⁴ indicates the penalty for the offense of dishonorable failure to pay debts may include a bad-conduct discharge, forfeiture of all pay and allowances, and confinement for up to six months. Therefore, military families must make rent payments or risk serious punishment that puts their futures at risk.

The COVID-19 pandemic has placed financial and emotional burdens on all Americans. We are extremely concerned it has driven some landlords under financial pressure to recoup lost rent at the expense of servicemembers who must stay current on debt obligations to remain in good standing with the military. Therefore, we respectfully request answers to the following questions:

- 1. Is the Department of Defense (DoD) tracking trends in rent increases on military families that may be a direct result of the federal eviction moratorium? If so, please provide that data.
- 2. What action, if any, is the DoD taking to help servicemembers and military families address rent increases imposed on them during the COVID-19 public health emergency?
- 3. In the case of failure to pay debts during a public health emergency, does the DoD have the authority to waive Article 134 penalties, as appropriate, in order to assist servicemembers and military families who may be struggling to pay rent?

We appreciate your attention to this matter and look forward to receiving your response by November 18, 2021.

Sincerely,

Cathy McMorris Rodgers

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Ranking Member

House Committee on Energy and Commerce

⁴ https://www.sapr.mil/public/docs/ucmj/UCMJ Article134 General Article.pdf

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CC:

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